

Your Guide to Fund Factsheets

This guide is designed to help you understand all the information contained in our fund factsheets.

If you're still unsure, please contact your financial adviser. If you don't have an adviser, visit unbiased.co.uk to find one in your local area. An adviser may charge for their services.

Fund aim

This is a brief statement to explain what the fund aims to do and the goals it sets out to achieve.

Fund facts

Fund manager - The fund manager decides when and where to invest the money in the fund. Their decisions are governed by the stated fund aim.

Fund size - The total value of the assets managed within the fund.

On our With-Profit factsheets we quote fund size figures based on all the With-Profit funds managed by Aviva in the UK.

Launch date - The date that the fund was opened for new business by Aviva or the underlying fund manager.

ISIN Code - A unique identifier given to funds by the London Stock Exchange.

SEDOL - the Stock Exchange Daily Official List. This is a unique identifier for the fund.

Sector - Funds are grouped into sectors, so that funds with similar characteristics are classed together. This makes it easier to make a fair comparison of funds.

Benchmark - The performance of a fund is often measured against a standard, which is called the benchmark. The benchmark can, for example, be an index such as the FTSE All-Share Index, a combination of indexes, a hypothetical fund, or the fund's peer group, and so the performance of similar funds.

External fund holdings - an Aviva fund that has underlying holdings in other funds which are managed by a different company. The other funds may be managed by a different company in the Aviva group (for example Aviva Investors) or by another fund management company.

The investment performance of the Aviva version of a fund will be different from that you'd see if you invested in the underlying fund directly. There can be several differences including charges, cash management, tax and timing of investment.

Please see page 5 for further details about external fund holdings.

With Profits Sub Fund - We have a small number of With-Profit sub funds which will each have different holdings. The sub fund you're invested in will be determined by which product you made your initial investment into, the company who sold the product and when the investment was made.

Investment Label - Sustainability labelling has been introduced to help consumers make sustainability choices that suit their priorities.

All funds registered by the Financial Conduct Authority (FCA), which use a sustainability label, or which make sustainability claims, must provide a consumer-facing disclosure (CFD) document to help consumers understand the key sustainability-related features of an investment product. Where an Aviva Life or Pension fund is invested into one external fund that has an investment label, we will confirm the label and provide a link to the associated CFD document.

Where an Aviva Life or Pension fund is invested into one external fund that has sustainability claims but does not have a label, we will provide a link to the associated CFD document. Where an Aviva Life or Pension fund is invested into one external fund that is based overseas it will not be subject to the UK Sustainable Disclosure Requirements (SDR) and Investment Labelling regime. The factsheet will indicate where a fund is based overseas and is not subject to the UK Sustainable Disclosure Requirements.

Where an Aviva Life or Aviva Pension fund is not invested in a FCA-registered fund, and therefore not subject to the UK Sustainable Disclosure Requirements (SDR) and Investment Labelling Regime, but has sustainability claims, these must be mentioned in the fund's name and/ or aim.

Sustainability Focus: this fund invests mainly in assets that focus on sustainability for people or the planet. Examples may include activities to support the production of energy, for example, from solar, wind or hydrogen.

Sustainability Improvers: this fund invests mainly in assets that may not be sustainable now, with an aim to improve their sustainability for people or the planet over time. Examples may include investments in companies that are on a credible path to net zero or are committed to improving social standards such as human rights.

Sustainability Impact: this fund invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet. Examples may include renewable energy generation and social housing.

Sustainability Mixed Goals: this fund invests mainly in a mix of assets that either focus on sustainability, aim to improve their sustainability over time, or aim to achieve a positive impact for people or the planet. Examples may include a mixture of investments from the labels above (Focus, Improvers, and Impact).

CFD - No Label: this fund has some sustainability characteristics but does not have a sustainability investment label.

Non-UK Product: this product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.

Risk rating

We give each of our funds a risk rating, ranging from 1 (lowest volatility) to 7 (highest volatility). These ratings reflect the potential for a fund to go up and down in value over time. We calculate our risk ratings using historical performance data and information from each fund's investment manager(s). We review our risk ratings each year, so they may change over time.

Risk and return are linked. This means funds with a rating of 1 are less likely to lose money, but your money might not grow very much. Funds with a rating of 7 have a much higher risk of losing money, but the potential for your money to grow over the long term is higher.

These investment risk ratings are based on our interpretation of investment risk and are only meant as a guide.

Risk warnings

There are risks associated with investing in funds, or types of funds. To help you understand these risks, we assign risk warnings to each fund. We explain all of these warnings on the fund factsheets. Please note that not all warnings apply to each fund and there is no direct relationship between the number of fund risk warnings and the investment risk rating for each fund.

Ratings

There are several independent companies who monitor funds, provide ratings and give awards to top performing funds.

Percentage growth

The chart displays the percentage investment returns or losses achieved by the fund over a five year period (or since the launch of the fund if that is less than 5 years) compared with its sector and benchmark, where appropriate.

Discrete annual performance to last quarter

This displays the performance of the fund in percentage terms over the last five years, with this performance split into five separate one year periods. If the fund was launched less than a year ago, we're unable to show past performance.

Cumulative performance to last month end

The table shows the performance of the fund in percentage terms over the last year, 3 years, 5 years and 10 years.

Sector average: funds with similar investment strategies and investment types are grouped together to give an average performance figure.

The quartile rank of the fund is sometimes displayed with these figures. This is a measure of how well a fund has performed against all other funds within its sector. Quartile rankings are compiled by sorting the funds by performance over a specified time period. Funds in the top 25% are assigned a quartile ranking of 1, the next 25% are assigned a ranking of 2, the next 25% are given a 3 and the bottom 25% are assigned a ranking of 4.

Benchmark: performance of the benchmark in percentage terms.

Asset allocation

Each fund invests in different types of assets, such as equities (shares), bonds, property and cash/money market. This chart shows the types of asset the fund invests in and the percentage/proportion currently invested in each one. The figures are rounded to the nearest decimal place so the total may not always exactly equal 100%.

A temporary negative cash percentage can occur for various reasons, such as the management of daily flows in and out of the fund and fund holding transactions.

A negative value can also be the result of the fund manager using 'gearing' which is a process whereby the fund borrows money usually to invest in financial instruments called derivatives with the objective of increasing the potential return of an investment. It is possible that the fund may suffer sudden and large falls in value compared to a fund which has no geared investment.

Equities - UK and International (Shares)

Equities are company shares. They represent part-ownership in a company. Companies issue shares on stock exchanges such as the London Stock Exchange. The shares will then be bought and sold by investors. Their value can go up or down.

While there is more potential for gains with shares than some types of investment, there is also greater risk that they will fall in value.

Fixed interest

Government bonds (defensive bonds) and corporate bonds (riskier and typically 'growth' bonds) are examples of fixed interest assets. UK government bonds are also called gilts.

Government bonds are loans issued by governments in the financial markets to pay for things such as public services. They're a way for governments to borrow money, usually for a fixed term. Governments then pay interest on the loans and therefore on the bonds.

International and UK corporate bonds are loans issued by companies to pay for their operations or to grow the business among other things.

Gilts, and government bonds issued by developed nations, are generally regarded as lower risk investments than corporate bonds.

Bonds pay bondholders a regular income. The full value of the bond is paid to bondholders when the bond matures. Bonds carry interest rate risk - **changes in interest rates can contribute to the value of a bond going up and down. For example, if interest rates rise, the value of a bond is likely to fall.**

Bonds also carry default risk. This applies especially to corporate bonds, but also to government bonds. This is the risk that the issuer of the bond becomes unable pay back the money it has borrowed.

Property

This usually refers to commercial property. Shops, offices and warehouses are examples of commercial property. There are two components to an investment in commercial property - the value of the property itself and the rental income received from the tenants of the property.

Commercial property can be subject to heavy falls and sharp increases in value. **Property isn't always easy to sell because it can take time for the purchase or the sale to be completed, and as a result, to access the money from the property.** Property funds may also invest in indirect property investments, including quoted property trusts and unregulated collective investment schemes.

Cash/Money market investments

Money market investments are also known as cash investments. They are short-term deposits of cash amounts, usually held with a financial company for less than 12 months. Please note they are not deposit accounts with banks or building societies.

Although these investments are less risky than other asset classes, they can sometimes fall in value, for example if an organisation is unable to pay back money it has borrowed. Their value can also be gradually affected over time by inflation and the effect of fund charges.

Alternative Trading Strategies

Alternative trading strategies can help to enhance returns and provide diversification.

These investments can include multi-strategy funds (that offer a larger number or broader range of investment strategies within a single fund) which seek to take advantage of investment opportunities not always found in the approach used by more traditional assets classes.

They can also include investment in non-traditional assets, such as commodities (raw materials) and derivatives (financial instruments to help manage risk and/or enhance returns). **They may increase the risk profile of the fund compared to funds that only use traditional asset types.**

Investment Trusts

An investment trust is a type of pooled investment and therefore a fund that invests in a portfolio of assets such as company shares, bonds or property. The aim is to grow capital and produce a positive return. However, unlike unit trusts and OEICs, an investment trust is a quoted company and therefore listed on a stock exchange, such

as the London Stock Exchange. Investment trusts are also closed-ended vehicles, which means that a new investor can only enter the trust when another investor sells their shares.

REITs

Real Estate Investment Trusts (REITs) are companies that own and manage property on behalf of shareholders. They can contain commercial and residential property.

Other

This category represents all other assets that the fund invests in. It may include holdings where there is no accessible data or where the holdings are newly registered and the data is not available yet.

Managed funds

Holdings in other funds where no further breakdown of assets is available to include in the chart.

Other Asset Types

Long-Term Asset Funds (LTAFs)

Long-Term Asset Funds (LTAFs) **provide access to long-term private and illiquid* markets investments such as** infrastructure and private equity.

*illiquid assets - this refers to assets which cannot be sold and converted into cash quickly.

Reserved Alternative Investment Funds (RAIFs)

RAIFs provide access to all types of assets, which **may include property and long-term private and illiquid* markets.**

*illiquid assets - this refers to assets which cannot be sold and converted into cash quickly.

Private equity

Shares in private companies that are not listed on a public stock exchange. **There may be times when it's not easy to buy or sell these assets. While there is more potential for gains with shares than some types of investment, there is also greater risk that they will fall in value.**

Private debt

Loans to private companies that are not listed on a public stock exchange and where the loan itself isn't traded on a public stock exchange, unlike a gilt or many corporate bonds. **There may be times when it's not easy to buy or sell these assets. There's a higher risk that the bond issuer might not be able to pay interest or return the capital that was invested.**

Infrastructure

Providing finance to build, purchase or upgrade public and private physical structures such as roads, railways, bridges, tunnels, water supply, sewers, electrical grids,

schools and hospitals. **There may be times when it's not easy to buy or sell these assets. You may not be able to access your money during this time.**

Venture Capital

A form of private equity, providing finance to start-up, early stage and growing companies. **There may be times when it's not easy to buy or sell these assets. While there is more potential for gains than some types of investment, there is also greater risk that it will fall in value.**

Shariah

Shariah-compliant investing draws on the expertise of Islamic Scholars and other experts to make sure a strategy or fund only invests in businesses that operate, in their view, within the principles of the Islamic faith.

Fund Breakdown

These provide information about the holdings of certain specialist funds. These funds typically have significant investments in derivatives as well as other assets. The information shown can include:

Long (exposure) - refers to "long positions" which are investments held to produce growth from their positive returns.

Short - refers to "short positions" which are investments designed to provide growth when a separate investment falls in value.

Pairs - where long and short positions are held in two different stocks at the same time to take advantage of differences in their relative performance.

Net - shows the percentage of long positions minus the percentage of short positions.

Gross - combines the value of both long and short positions.

Strategies - investments selected to achieve specific strategies.

Top 10 holdings

This lists the ten largest assets, by value, that the fund holds. Where percentages are shown these show how much of the total fund is invested in that asset.

Top 10 funds

If the fund holds investments in other funds then this lists the largest ten of these holdings. The percentages show how much of the total fund is invested in these funds.

Sector breakdown

If the fund holds equities (shares) then this chart shows the type of companies in which the fund invests.

Property sector

This identifies how much of a fund's investments are made up of different types of property, for example office, industrial or retail.

Geographical or Country allocation

This shows in which countries or regions the fund invests.

Credit maturity

This shows the time remaining to maturity of the bonds held by the fund. Generally the longer the duration of a holding, the greater the price sensitivity to any changes in interest rates.

Duration of holdings

This shows the time remaining to maturity of cash and cash equivalent assets held by the fund. Where an asset has no fixed term this is included in the 0-1 Days figure.

Market capitalisation

If the fund holds equities (shares) then this diagram shows the size of the companies in which the fund invests.

External fund holdings

All of our unit-linked funds are offered by Aviva Life & Pensions UK Limited or Aviva Life & Pensions Ireland Limited, but many of our funds have underlying holdings in other funds which are managed by a different company. We refer to these holdings as 'External fund holdings'. These holdings may be managed by a different company in the Aviva group (for example Aviva Investors UK Fund Services Limited) or by another fund management company.

In the UK the Financial Services Compensation Scheme (FSCS) provides customers with some protection in certain cases where an authorised financial services firm is not able to meet claims made against it. If Aviva Life & Pensions UK Limited was unable to meet its obligations then it is likely you'd qualify to make a claim for FSCS compensation for any unit-linked fund that you were invested in. Any compensation you may get under the FSCS would be subject to certain limits. The cover is normally 100% of the value of the claim with no upper limit. For further information, see [fscs.org.uk](https://www.fscs.org.uk) or telephone **0800 678 1100** or **020 7741 4100**.

Please note the Financial Services Compensation Scheme doesn't cover funds provided by Aviva Life & Pensions Ireland Limited.

If the manager of an external fund holding becomes insolvent or unable to meet its claims then it's likely that you won't qualify for compensation under the FSCS. However, all of these external managers are required to appoint an independent custodian and depositary. One key role of the custodian and depositary is the safekeeping of the assets of the fund so that they are kept separately from the fund manager to protect customer investments should the fund manager become insolvent.

Internal funds

Funds that state 'No' to 'External fund holdings' are unit-linked funds for which Aviva Life & Pensions UK Limited is responsible for the investment decisions.

The Aviva Life Property Fund is an example of an internal fund. So, if you invest in the Aviva Property Fund, it's likely you'll qualify to make a claim for FSCS compensation if Aviva Life & Pensions UK Limited is unable to meet its obligations.

Any compensation you may get under the FSCS will be subject to certain limits. The cover is normally 100% of the value of the claim with no upper limit. For further information, see [fscs.org.uk](https://www.fscs.org.uk) or telephone **0800 678 1100** or **020 7741 4100**.

Important information regarding mirror funds

For each fund managed by external investment managers Aviva Life & Pensions UK/Aviva Life & Pensions Ireland has set up its own mirror fund, which invests exclusively in the underlying fund, apart from a proportionately small amount, which may be held as a cash balance. This means that the price of the Aviva Life & Pensions UK/Aviva Life & Pensions Ireland fund will be different from the corresponding fund due to the cash holding and any differences in fund charges, but will move mainly in line with it. These mirror funds can only be accessed using Aviva Life & Pensions UK/Aviva Life & Pensions Ireland products. Please note that there are fees charged to investments in the mirror funds that will affect their return. For further details, please refer to the relevant product information brochure.

You should always consider the type of fund you are invested in and the associated risks.

Please call us on **0800 068 6800** or speak to your financial adviser if you:

- don't know or feel that you don't understand the type of funds you are invested in or
- would like more information.

Calls to Aviva may be recorded.

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Please get in touch if you'd prefer this document **GN20431** in large print, braille, audio, or in a different colour.

How to contact us

 **0800 068 6800**

 **contactus@aviva.com**

 **aviva.co.uk**

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We also recommend you

Login or register for MyAviva at **myaviva.co.uk** where you can see your Aviva policies online in one place. Here you can check the value of your plan, see where your money is invested, make changes to your plan and much more.

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